units undertake diversification so as to raise turnover and productivity. Diversification also enhances their exposure to commercial industrial culture. Seeking additional avenues of work in export markets forms a part of the diversification efforts.

(b) HAL has manufactured HS-748 in the past and is presently manufacturing Dornier aircraft. To utilise the spare capacity, HAL has been trying to diversify into (i) maintenance and servicing of civilian aircraft, (ii) subcontract work for airframe and engine components from major aircraft manufacturers, etc. HAL has already started work on civil aircraft maintenance and has obtained orders for subcontract work from foreign buyers.

In the area of telecommunication-sattelite communications and broadcasting BEL have already achieved cosiderable growth. In the medical electronics field BEL is manufacturing X-ray tubes.

(c) The ordnance factories sales to non-defence customers are expected to be 22 per cent of the total sales in 1993-94.

(d) and (e) Diversification has in no way affected the production of arms for the defence forces since only spareable capacity after meeting the defence requirements is utilised for non-defence customers. In fact diversification results in higher overall turnover and lower costs for stores delivered to armed forces and, thus, enhances their supportive role for defence preparedness.

(f) While the precise position will be known only after conclusion of the year, the defence public sector undertakings are expected to maintain in 1993-94 an upward trend in profits. The ordnance factories, being departmental undertaking, are working on 'no profit no loss' basis for their issues to the defence forces. By diversification the overheads are distributed over a larger volume of production thereby reducing the unit cost of production for the armed forces. Benefit of any excess generated is also passed on to the armed forces.

Fresh research plan for Defence

3106. SHRI AHMED MOHMEDBHAI PATEL: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Chief Controller of Defence Research has stressed upon Government that a fresh research plan should be prepared for defence purpose;

(b) if so, whether it has also been pointed out that utilisation of the country's various academic institutions in research and development of indigenous defence capacity should be reorganised and sufficient funds to be provided for their research and development programme;

(c) if so, what steps Government have proposed to tune up the Received and Distribution Wings in improving the defence capability; and

(d) whether any foreign help and assistance is being sought so that the modern weapons and technology in defence is imported in their research-wing?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI MALLIKARJUN): (a) and (b) No, Sir. Cheif Controller Research & Developme'n (A), while speaking at Cmde Garg Memorial Lecture organised by the Institution of Naval Architects was highlighting that Defence Research & Development Organisation was making optimal use of R&D expertise and infrastructure available in universities, academic institutions and research laboratories in the areas of relevance to Defence requirements by sponsoring and funding projects to these institutions. He had stressed that this should continue and be strengthened progressively.

(c) and (d) Do not arise.

Review of pay scales of draftsmen in MES

3107. DR. BAPU KALDATE: Will the PRIME MINISTER be pleased to state:

(a) whether the Principal Bench of CAT, New Delhi, in OA case No. 1929